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## Argentina

### Citrus

### Citrus Semi-Annual

### 1999

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#### Report Highlights:

Argentine total citrus production in 1999 is estimated at 2.28 million metric tons, down 9 percent from the 1998 crop. This drop in output is attributed to unfavorable weather conditions, such as excessive rains, due to the Nino Current, especially in the northeastern provinces. Total citrus exports in CY 1999 are forecast at 319,000 metric tons, down slightly from 1998 shipments. By Resolution 967/99 effective August 31, 1999, the Government of Argentina (GOA) increased export rebates for fresh citrus fruits and fruit juices.

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## Executive Summary

### SECTION I. SITUATION AND OUTLOOK:

#### Production

Argentine total citrus production in 1999 is estimated at 2.28 million tons, down 9 percent from the revised 1998 harvest. Heavy precipitation due to the el Nino Current in the citrus producing areas located in the northeastern provinces, especially in Entre Rios and Corrientes, caused losses of nearly 20 percent in oranges and 22 percent in tangerines. The quality of the fruits is considered good, with the exception of fresh lemons which is normal. The size of lemons is within normal standards, while the size of the other citrus is reported to be from medium to large sizes.

Lemons, which is the main citrus crop produced in Argentina and accounts for more than 46 percent of total citrus output, is estimated in 1999 at 1.05 million tons, up more than 2 percent from the 1998 crop due to increased area planted in response to high demand by the processing sector. The 2000 fresh citrus crop is expected to be similar or larger than 1999 estimated harvest, assuming on normal weather. In the long term, production of fresh lemon is likely will expand, especially if the Argentine citrus can enter the United States and the Japanese markets.

#### Trade

During CY 1998 Argentina exported 323,801 metric tons of fresh citrus, down 7 percent from 1997 shipments. The Netherlands is Argentina's principal citrus export market, followed by the United Kingdom and France. In CY 1998 Netherlands accounted for 46 percent of total Argentine citrus exports. During the same year, markets in the European Union (EU) such as the Netherlands, accounted for 47 percent of total Argentine oranges, 49 percent of total tangerine shipments, and 44 and 43 percent of lemons and grapefruits exports, respectively. The United Kingdom followed with 14 percent of total oranges exports and 16 percent of tangerines; and France took 27 percent of grapefruits, and 8 percent of lemons. Russia accounted for 11 percent of Argentine orange exports, 7 percent of tangerines, 15 percent of lemons and only 3 percent of grapefruits.

Although the fresh citrus export season is not over yet, lemon shipments through August increased by 15 percent. This has offset losses of the other species, such as 23 percent decrease in grapefruits, 12 percent in oranges, and about 30 percent in tangerine shipments. Less citrus was exported to northern European ports. However, eastern European countries increased their purchases. A smaller portion of exports went to Canada, Asia and the Arab countries.

A combination of the strong US dollar, a large European summer fruit supply, and large shipments from competitor countries led to plunging prices.

Three European producing citrus countries, Italy, Corsica (France) and Greece, eliminated their protected zone that prohibited the entry of citrus from Argentina, and adjusted their sanitary requirements to match with the rest of the European countries.

## **Consumption**

In 1998 more than 48 percent of citrus production in Argentina was consumed fresh in the domestic market, while exports accounted for 14 percent and the rest was processed .

## **Policy**

During negotiation meetings that took place in July 1999 between the Manager of Japan Citrus Importers and an Argentine delegation headed by the President of SENASA, guidelines were set for future citrus fruit trade between the two countries. Reportedly, an official Japanese mission is expected to arrive in Argentina next November to continue negotiations.

Through Resolution 286/99 the Secretariat of Agriculture announced that Taiwan, Penghu, Kinmen and Matsu are accepting a total of 1,000 metric tons of grapefruits and lemons from Argentina during CY 1999.

Argentina applied for approval to ship citrus (primarily lemons) to the United States about five years ago, and is now in the final stages of the approval process. Once approval is granted, the U.S. is expected to become a modest market for Argentine lemons.

By Resolution 967/99 effective August 31, 1999, the GOA increased export rebates for fresh citrus fruits and citrus juices as follows:

Oranges, grapefruits, tangerines and lemons:

Packed in boxes equal to 2.5 kilos or less 10 percent; packed in boxes higher than 15 kilos, less or equal to 20 kilos 6.8 percent.

Concentrated lemon juice 10 percent;

Concentrated orange juice containing 2 percent of maximum pulp 10 percent;

Concentrated grapefruit juice containing 2 percent of maximum pulp 10 percent.

## SECTION II. STATISTICAL TABLES

Table 1. Fresh Grapefruit Supply and Demand

PSD Table						
Country:	Argentina					
Commodity:	Fresh Grapefruit					
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Area Planted	11702	11702	0	12679	0	12679
Area Harvested	11000	10290	0	10748	0	10748
Bearing Trees	2420	1412	0	2687	0	2687
Non-Bearing Trees	702	2058	0	1931	0	1931
TOTAL No. Of Trees	3122	3470	0	4618	0	4618
Production	200	229	0	188	0	200
Imports	8	6	0	8	0	8
TOTAL SUPPLY	208	235	0	196	0	218
Exports	30	30	0	27	0	30
Fresh Dom. Consumption	153	167	0	132	0	148
Processing	25	38	0	37	0	40
TOTAL DISTRIBUTION	208	235	0	196	0	218

**Table 2. Fresh Grapefruit Exports**

Export Trade Matrix			
Country:		Units:	M. Tons
Commodity:			
Time period:	C.Y.		
Exports for	1996		1997
U.S.	0	U.S.	0
Others		Others	
Netherlands	15,231	Netherlands	11,849
France	7,229	France	7,481
U.K.	3,254	U.K.	2,595
Belgium	1920	Belgium	3,105
Italy	447	Italy	891
Russia	279	Russia	700
Greece	227	Slovenia	75
British Territ.	118	Singapore	65
Poland	94	Poland	223
Spain	384	Spain	109
Total for Others	29183		27093
Others not listed	1,154		263
Grand Total	30337		27356

**Table 3. Grapefruit Imports**

Import Trade Matrix			
Country:		Units:	M. Tons
Commodity:			
Time period:	C.Y.		
Imports for	1996		1997
U.S.	64	U.S.	40
Others		Others	
Spain	1,930	Spain	823
Uruguay	1,864	Uruguay	1,098
Cuba	1,104	Cuba	0
Nueva Palmira	210	Mexico	85
Israel	673	Israel	5,544
Italy	63	Chile	22
Total for Others	5844		7572
Others not listed	0		0
Grand Total	5908		7612

**Table 4. Orange Supply and Demand**

PSD Table						
Country:						
Commodity:	Oranges					
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Area Planted	56722	56722	0	56274	0	56276
Area Harvested	53860	53860	0	46576	0	46576
Bearing Trees	14273	14273	0	9698	0	9698
Non-Bearing Trees	2862	2862	0	12575	0	12575
TOTAL No. Of Trees	17135	17135	0	22273	0	22273
Production	700	841	0	921	0	735
Imports	2	2	0	6	0	6
TOTAL SUPPLY	702	843	0	927	0	741
Exports	90	102	0	97	0	79
Fresh Dom. Consumption	482	611	0	634	0	466
Processing	130	130	0	196	0	196
TOTAL DISTRIBUTION	702	843	0	927	0	741



**Table 5. Orange Juice Supply and Demand**

PSD Table						
Country:				65	Degrees Brix	
Commodity:						
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin						
Deliv. To Processors	130	130000	0	196000	0	196000
Beginning Stocks	186	186	186	200	0	400
Production	10000	10000	0	15300	0	15400
Imports	8000	2510	0	2163	0	3100
TOTAL SUPPLY	18186	12696	186	17663	0	18900
Exports	1900	2000	0	2046	0	2300
Domestic Consumption	16100	10496	0	15217	0	16200
Ending Stocks	186	200	0	400	0	400
TOTAL DISTRIBUTION	18186	12696	186	17663	0	18900

**Table 6. Orange Exports**

Export Trade Matrix			
Country:		Units:	M. Tons
Commodity:			
Time period:	C.Y.		
Exports for	1997		1998
U.S.	0	U.S.	0
Others		Others	
Netherlands	49095	Netherlands	45466
Russia	17044	Spain	13083
U.K.	14814	Russia	11005
Spain	11868	France	4098
France	3,708	Canada	2739
Canada	1838	Poland	1936
Turkey	657	Bolivia	1604
Bolivia	632	British Territory	14095
Portugal	590	Singapore	255
Poland	454	Portugal	237
Total for Others	100700		94518
Others not listed	880		2301
Grand Total	101580		96819

**able 7. Orange Import Matrix**

Import Trade Matrix			
Country:		Units:	M. Tons
Commodity:			
Time period:	C.Y.		
Imports for	1997		1998
U.S.	0	U.S.	0
Others		Others	
Spain	1,105	Spain	2,904
Mexico	483	Mexico	1,179
Uruguay	455	Uruguay	275
Nueva Palmira	144	Brazil	1
Israel	323	Israel	1,362
Total for Others	2510		5721
Others not listed	0		0
Grand Total	2510		5721

**Table 8. Tangerine Supply and Demand**

PSD Table						
Country:	Argentina					
Commodity:	Fresh Tangerines					
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Area Planted	33613	33613	0	33257	0	33257
Area Harvested	31936	31936	0	25401	0	25401
Bearing Trees	12774	12774	0	8128	0	8128
Non-Bearing Trees	1681	1681	0	7856	0	7856
TOTAL No. Of Trees	14455	14455	0	15984	0	15984
Production	360	409	0	387	0	300
Imports	0	1	0	1	0	1
TOTAL SUPPLY	360	410	0	388	0	301
Exports	37	38	0	42	0	30
Fresh Dom. Consumption	293	312	0	295	0	241
Processing	30	60	0	51	0	30
TOTAL DISTRIBUTION	360	410	0	388	0	301

**Table 9. Tangerine Exports**

Export Trade Matrix			
Country:		Units:	M. Tons
Commodity:			
Time period:			
Exports for	1996		1997
U.S.		U.S.	
Others		Others	
Netherlands	20,535	Netherlands	20,902
U.K.	8,021	U.K.	6,831
Canada	2,934	Canada	3,696
Philippines	1,483	Poland	3,041
British Territ.	1,106	Russia	2,668
Russia	926	Belgium	189
S. Arabia	824	Philippines	504
Indonesia	598	S. Arabia	391
Singapore	382	Singapore	415
Portugal	373	A. Emirates	363
Total for Others	37182		39,000
Others not listed	1,261		3289
Grand Total	38443		42289

**Table 10. Tangerine Imports**

Import Trade Matrix			
Country:		Units:	M. Tons
Commodity:			
Time period:			
Imports for	1996		1997
U.S.		U.S.	
Others		Others	
Uruguay	498	Uruguay	268
Spain	227	Spain	136
Israel	28	Israel	93
Total for Others	753		497
Others not listed			
Grand Total	753		497

**Table 11. Lemon Supply and Demand**

PSD Table						
Country	Argentina					
Commodity	Fresh Lemons				(HECTARES)(1000 TREES)(1000 MT)	
	Revised	1996	Preliminary	1997	Forecast	1998
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Area Planted	31078	31078	31078	41571	0	43000
Area Harvested	28281	28281	28281	38500	0	38000
Bearing Trees	6784	6784	6784	9728	0	9728
Non-Bearing Trees	2797	2797	2797	3071	0	5000
TOTAL No. Of Trees	9581	9581	9581	12799	0	14728
Production	871	871	980	1025	0	1050
Imports	0	0	0	0	0	0
TOTAL SUPPLY	871	871	980	1025	0	1050
Exports	178	176	175	157	0	180
Fresh Dom. Consumption	116	116	116	157	0	170
Processing	577	579	689	711	0	700
TOTAL DISTRIBUTION	871	871	980	1025	0	1050

**Table 12. Lemon Exports**

Export Trade Matrix			
Country	Argentina		
Commodity	Fresh Lemons		
Time period	C.Y.	Units:	M. Tons
Exports for:	1997		1998
U.S.		U.S.	
Others		Others	
Netherlands	83,686	Netherlands	69,880
France	24,911	France	13,441
Spain	21,061	Spain	15,123
Russia	15,555	Russia	23,694
U.K.	12,183	U.K.	9,599
Canada	6,323	Canada	5,396
Greece	3,360	Belgium	1,679
British Territ.	2,107	Portugal	7,062
Arab Emirates	1,110	Yugoslavia	1,545
E.U.	2,080	British Territ.	1,200
Total for Others	172376		148619
Others not Listed	3,624		7,312
Grand Total	176000		155931



**Table 13. Lemon Imports**

Import Trade Matrix			
Country	Argentina		
Commodity	Fresh Lemons		
Time period	C.Y.	Units:	M. Tons
Imports for:	1997		1998
U.S.		U.S.	
Others		Others	
Uruguay	162	Uruguay	71
Chile	20	Chile	0
Cuba	12	Cuba	6
Spain	0	Spain	86
Total for Others	194		163
Others not Listed			
Grand Total	194		163

**Table 14. Lemon Juice Supply and Demand**

PSD Table						
Country	Argentina					
Commodity	Juice, Lemon				(MT)	
	Revised	1996	Preliminary	1997	Forecast	1998
	Old	New	Old	New	Old	New
Market Year Begin		01/1997		01/1998		01/1999
Deliv. To Processors	490000	689000	0	711000	0	690000
Beginning Stocks	219	1019	0	938	0	2928
Production	27800	33600	0	38000	0	36000
Imports	0	0	0	0	0	0
TOTAL SUPPLY	28019	34619	0	38938	0	38928
Exports	19000	24181	0	28091	0	27000
Domestic Consumption	8000	9500	0	7919	0	8000
Ending Stocks	1019	938	0	2928	0	3928
TOTAL DISTRIBUTION	28019	34619	0	38938	0	38928

**Table 15. Lemon Juice Exports**

Export Trade Matrix			
Country	Argentina		
Commodity	Juice, Lemon		
Time period	C.Y.	Units:	M. Tons
Exports for:	1997		1998
U.S.	6,152	U.S.	7,637
Others		Others	
Netherlands	12,511	Netherlands	12,657
Japan	1,300	Japan	1,567
Spain	1,555	Spain	821
Israel	1,166	Israel	1570
Australia	374	Australia	1,308
U.K.	265	U.K.	238
Germany	232	Germany	1,145
Canada	148	France	690
S. Africa	140	Belgium	192
		New Zealand	100
Total for Others	17691		20288
Others not Listed	338		166
Grand Total	24181		28091

**Table 16. Lemon Juice Imports**

Import Trade Matrix			
Country	Argentina		
Commodity	Juice, Lemon		
Time period	C.Y.	Units:	M. Tons
Imports for:	1997		1998
U.S.	2	U.S.	1
Others		Others	
Brazil	37	Chile	18
Mexico	26		
Uruguay	4		
Total for Others	67		18
Others not Listed			
Grand Total	69		19